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Report Highlights:

This report offers U.S. companies interested in exporting food and agricultural products to Italy a guide to the country's; economic situation, market structure, Italian and EU labeling requirements, trade regulations, customs and standards, overview of the Italian retail, and HRI sector, as well as exporter tips and trade prospects.

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Market Overview

Macro Economic Situation & Key Demographic Trends

Italy's trade in agricultural products exhibits a number of unusual characteristics, especially when compared to that of its European neighbors. While recognized globally as a first class exporter of high quality foods—Parmesan cheese, olive oil, prosciutto ham—Italy perennially runs an overall agricultural trade deficit of nearly \$6 billion. Many of Italy's agricultural imports support production of food items that are processed and then exported.

Trends in Italian consumption reflect social changes such as smaller family size and the rise of a dynamic singles component in the population. Singles now have a much more visible role in Italian society. Unlike in the past, there are many more young people venturing out from their family homes and living on their own, especially in Italy's northern industrial cities. Singles are also starting to be recognized for their buying power, as retail outlets have started to cater to their needs by offering ready-made food products. This trend is expected to increase demand for convenience and novelty foods.

An overall shift toward healthy living has led to a rise in demand for light or dietetic products. The demand for fish and seafood products, believed to be a healthy, low-fat option to meat, has flourished in Italy. Furthermore, Italians acknowledge the importance of breakfast and snacking in the diet, attracting them to innovative and convenient products in the health and processed food sectors.

Given its extensive food processing industries, Italy imports growing volumes of raw materials to service its expanding markets for processed products. As the population growth rate remains stagnant, young single adults have increased their buying power in the market. Retail outlets have acknowledged this trend by introducing products targeted for this group, such as single-portion, ready-made food products.

Italians believe that frozen foods can be equally as nutritious as fresh food, and value its easy storage and use. As a result, the frozen foods industry is expected to grow significantly. The majority of retail sales of frozen ready meals are for frozen pizza, followed by pasta-based, fish-based and vegetable-based meals.

As retailers continue to offer a wide variety of frozen food products, sales of frozen foods are forecasted to reach \$2.2 billion in 2005--a 43% jump from 2000.

The preference for frozen foods over canned foods has limited canned foods to a marginal growth. The market value of canned food in 2001 was approximately \$1.5 billion and is expected to reach only \$1.6 billion by 2005. Products representing significant sales in the canned food industry include fish and seafood, meat and meat products, tomatoes and beans. Tuna accounts for the majority--87%--of canned fish and seafood products.

In 2002, the Italian cereal market was valued at an estimated \$204 million. The cereal market is divided into two categories: hot cereals and ready-to-eat cereal, with the latter accounting for 98.8% of the market. Current advertisements promoting cereal products as healthy snack alternatives may lead to increased demand for cereal products. Steady growth in the cereal industry if this pace continues is expected to increase market value to approximately \$248 million in 2006--close to a 22% increase over 2002.

According to U.S. Department of Commerce statistics, the top seven U.S. agricultural exports to Italy in 2002 were wheat (\$117 million), soybeans (\$87 million), hardwood

lumber (\$82 million), hides & skins (\$80 million), tree nuts (\$59 million), fish and seafood (\$47 million) and lobster (\$37 million).

Despite the current economic climate in Italy, the fluctuations in the dollar/Euro exchange rate, and the often protectionist regulations of the EU, there are still many opportunities in the near-to-medium term to both maintain and expand the market for a variety of U.S. agricultural products.

Italy's economy stagnated in the first half of 2002 as the soft global economic situation dampened Italian exports and heightened consumer uncertainty. Since conversion to the Euro, inflation has been a problem. Unemployment in Italy is high, but slightly above the average of the EMU zone of 8.8 percent, based on May 2003 data. According to April 2003 data, Italy's unemployment rate was 8.9 percent nationwide, the lowest level since 1992.

Despite the recent strains on the economy, Italy remains one of the most affluent nations in Europe, with a GDP of \$1.1 trillion and per capita income of \$18,600. Population growth is nearly stagnant with increased immigration offsetting a negative birth rate among Italians.

The Italian peninsula varies climatically, geographically, culturally, and economically between north and south. For example, per capita income in the north approaches \$23,000, whereas the \$12,000 per capita income in the south (below Naples) is almost one-half of that of the north. Also contrary to trends across Europe, the majority of Italians continue to live in small cities and towns. The combined population of Italy's three largest cities-- Rome, Milan, and Naples-- accounts for 10 million or 5.8 percent of the Italian population. Markets are therefore diffuse and relatively small scale, but often lucrative.

Italian Importers, Wholesalers & Retailers

Italian importers are usually small to medium-sized companies, rather than the large, market-dominating varieties found in northern Europe. Consequently, these companies import on a smaller scale and usually in a broader range than their much larger European counterparts. Most imported food products enter the Italian market through brokers or specialized traders. Price is an increasingly important basis for import purchases, although quality and novelty alone does move some products. Imported products from North America often enter Italy indirectly from the Netherlands' Port of Rotterdam or directly via air.

Wholesalers are the main customers for fish and seafood products, as they purchase and distribute products to consumers through supermarkets, hypermarkets, local fish shops, restaurants, and fishmongers and fish processors. In Italy there are over 1000 fish wholesalers-- 100 of which are considered to be importers.

Processed food is primarily distributed through retail grocers, convenience stores and discount grocers. The number of wholesalers for processed foods has decreased as supermarket chains take on the purchasing responsibility. Key local distribution chains and supermarkets in Italy include COOP Italy, CONAD, La Rinascente and Gruppo COIN--each maintaining their market share through mergers and alliances. For example, in 2001, La Rinascente entered a joint venture with France's Auchan to be the first grocery chain to offer national coverage. Together, they plan to open 120 superettes, 50 local traditional stores and six supermarkets by 2009.

Advantages and Challenges for U.S. Exporters in Italy

Advantages	Challenges
Italians are becoming more aware of foreign cuisine's and are open to novelty foods.	Competition in the Italian food market is fierce and many consumers still have a preference for traditional Italian products.
Italy's booming tourist industry further stimulates demand for ready made, single portion products for the HRI sector.	U.S. exporters have to conform to often difficult Italian/European standards and regulations.
Strong interest towards new and innovative products, especially in the health, specialty and ethnic food categories.	Food scares have made some Italian consumers wary of the unfamiliar.

Trade Regulations, Customs and Standards

As a member of the European Union (EU), the Common Agricultural Policy (CAP) governs its entire agricultural sector. Similarly, Italy employs the same tariffs, levies and other EU regulations as the other fourteen member states. For example, Italy imposes variable levies (on grain products) and quotas (on meat, cheese, and bananas) as required by the European Union. Italy also applies a value-added tax on most food/agricultural items (ranging from 4 percent for semi processed commodities to 19 percent for "luxury", or high value food items).

Product imported into Italy must meet all Italian and EU food safety and quality standards, as well as Italian labeling and packaging regulations. All food products must be designed and produced in compliance with relevant technical and safety standards. Restrictions on the sale of spirit drinks, e.g. whisky sold in EU must have a minimum alcoholic strength per volume of 40%. As of 1 January 1993, containers with a closing device covered by lead-based capsules of foil may not be used for food products.

Many of these standards and regulations have been harmonized within the European Union. For example, the EU has adopted a number of regulations covering production standards, analytical characteristics, product specifications, allowable additives, and labeling. Specific EU regulations exist for cocoa, chocolate products, sugars, fruit juices, fruit jams and jellies, milk and casein products.

However, where EU standards do not exist, Italy can set its own national requirements. Some of these have been known to hamper imports of game meat, processed meat products, frozen foods, alcoholic beverages, and snack foods/confectionery products. U.S. exporters of "health" foods weight loss/diet foods; baby foods and vitamins should work closely with an Italian importer, since Italy's labeling laws regarding health claims can be particularly stringent. Italian legislation sets forth orders, obligations and criminal sanctions for violations.

A comprehensive guide to the latest EU food laws and regulations is available at <http://www.useu.be/AGRI/expguide.html>.

Food law is divided into these basic categories:

1. Rules dealing with hygiene/sanitary issues and rules governing labeling and packaging. All laws apply equally to domestically produced and imported goods. Italy is still working on specific sectors of food law to bring the regulations scientifically up to date in the areas of hygiene/sanitation.
2. In the case of food additives, coloring and modified starches, Italy's laws are considered to be comparative to current U.S. laws, albeit sometimes more restrictive.
3. All imports of food items are subject to the sanitary and phytosanitary regulations of the EU as well as strict certification requirements established by the individual country's health authorities.

EU Import Requirements – Food

Trade Documents

Trade Documents
• Commercial Invoice
• Bill of Lading/ Air waybill
• Certificate of Origin
• Packing List
• Inspection Certificate
• Import Licensing
• Follow Buyer's Instruction
Quotas: Depends
Labels: Yes – Required
Country of Origin Marking: Mandatory on prepackaged foodstuffs
Tax: Import Duty + VAT (varies according to different importing countries).

Standards & Labeling Requirements in the EU/Italy

(Source: Foreign Agricultural Service, U.S. Mission to the EU)

General rules on the labeling, presentation and advertising of foodstuffs marketed in the EU are laid down in European Parliament and Council Directive 2000/13/EC+corrigendum (English version of Annex III). This new directive consolidates general labeling directive 79/112/EEC and all its amendments in a single text. It applies to foodstuffs intended for supply to restaurants, hospitals and other similar mass caterers and to foodstuffs intended for sale to the ultimate consumer.

The indication of the following particulars is compulsory on the labeling of foodstuffs:

- The name under which the foodstuff is sold.
- The list of ingredients, in descending order of weight.
The following ingredients require a specific statement on the label: GMOs, packaging gases, sweeteners, aspartame, polyoils, quinine and caffeine.
- The quantity of certain ingredients or categories of ingredients (QUID).
- The net quantity of prepackaged foodstuffs expressed in metric units (liter, centiliter, milliliter, kilogram or gram). A small "e" on the label may be used to guarantee that the actual content corresponds to the quantity indicated.
- The date of minimum durability in a specific format or the "use by" date for highly perishable foodstuffs.
- Any special storage conditions or conditions of use.
- The name or business name and address of the manufacturer, packager or vendor established within the Community.
- Particulars of the place of origin or provenance in case absence of such information might mislead the consumer.
- Instructions for intended use.
- The actual alcoholic strength for beverages containing more than 1.2% alcohol by volume.
- A mark to identify the lot to which a foodstuff belongs.
- Treatments undergone, with specific indications for irradiated or deep-frozen foods.

Annex I lists the categories of ingredients that may be designated by the name of the category rather than the specific name, e.g. cheese, spices. Directive 2001/101/EC adds meat as a category and provides at the same time a strict definition for the term meat.

Annex II lists the categories of additives that must be designated by the name of their category followed by their specific name or EC number.

Annex III describes the way of designating flavorings in the list of ingredients.

Labeling has to be in a language easily understood by consumers; therefore for products sold in Italy the labels must also be in Italian, however, multi-language labeling is allowed throughout the EU.

Medical claims, attributing to a foodstuff the property of preventing, treating or human diseases are explicitly prohibited. However, the EU general labeling directive does not provide any guidance on which health claims (e.g. "Aids Digestion") are allowed and which is not. As a result, many EU Member States have developed separate initiatives in this area.

Harmonized labeling requirements for potential allergens do not exist yet, but will be developed in the near future.

Product Specific labeling requirements exist for:

- Cocoa and chocolate products, sugars, honey, fruit juices and similar products, preserved milk, coffee extracts and chicory extracts, fruit jam, jellies, marmalades and chestnut puree.
- Infant and follow-on formula, cereal-based baby and infant's foods, meal replacers for use in energy-restricted diets, medical foods.

Quinine and Caffeine

Commission Directive 2002/67/EC, scheduled to come into force by July 2004, requires the compulsory labeling of quinine and caffeine when they have been used in the production or preparation of foodstuffs (usually tonic waters and energy drinks). Quinine and caffeine must be mentioned in the ingredients list, preceded by the term "flavoring". Beverages containing more than 150 mg of caffeine per liter will have to be labeled with "high caffeine content", followed by the caffeine content expressed in mg/100 ml.

Beef Labeling

A compulsory beef labeling scheme has been in place since September 2000. Full implementation of the beef labeling scheme went into effect on January 1, 2002. Under this scheme, labels for all bovine meat must indicate the following information:

- "Born in: third country"
 - "Reared in: third country or third countries"
- The above can be combined if the animal was born, raised and slaughtered in the same third country, i.e. "Origin: third country"
- "Slaughtered in: third country / approval number of slaughterhouse"
 - "Cutting in : third country / approval number of cutting plant"
 - A trace ability code linking the meat to the animal or a group of animals representing the production of maximum one day.

Egg Labeling

The mandatory marking of grade A eggs (fresh eggs for human consumption) by a code designating the producer and farming method enters into force on January 1, 2004. Each egg produced in the EU has to be stamped individually with one of the following codes indicating the farming method: 0 = organic, 1 = free range, 2 = barn, 3 = cage. For eggs imported from the U.S., the new rules are not totally clear yet. The European Commission must first evaluate the U.S. labeling rules in force to determine whether they are equivalent to the EU's technical rules and standards. Pending the outcome of this evaluation, imported grade A eggs may be stamped individually with either a code corresponding to the mentioned methods of production or with a code identifying the unspecified nature of the farming method.

Nutrition Labeling

Nutrition labeling rules are laid down in Council Directive 90/496/EEC. Nutrition labeling is not mandatory in the EU unless a nutrition claim is made on the label or in advertising messages. "Nutrition labeling," means any information on the label that relates to energy value and to the following nutrients: protein, carbohydrate, fat, fiber, sodium, vitamins and minerals present in significant amounts.

A "nutrition claim" means any representation or advertising that claims that a foodstuff has particular nutrition properties and is only allowed if it relates to the energy value and/or nutrients referred to above.

Where nutrition labeling is provided, the information to be given should consist of either group 1 or group 2 in the following order:

Group 1:

- the energy value
- the amount of protein, carbohydrate and fat

Group 2:

- the energy value
- the amount of protein, carbohydrate, sugar, fat, saturates, fiber and sodium

The energy value and the proportion of nutrients must be declared in specific units per 100 grams or per 100 milliliters. Information on vitamins and minerals must be expressed as a percentage of the recommended daily allowance (RDA).

The information on the label must be presented in tabular form with the numbers aligned or if space does not permit, in linear form in a language easily understood by the purchaser.

Quantitative Ingredients Declaration (QUID)

Quantitative ingredients declaration is mandatory in the following cases:

- Where the ingredient or category of ingredients appears in the name under which the foodstuff is sold.
- Where the ingredient or category of ingredients is usually associated with that name by the consumer.
- Where the ingredient or category of ingredients is emphasized on the labeling in words, pictures or graphics.
- Where the ingredient or category of ingredients is essential to characterize a foodstuff and to distinguish it from similar products.

The QUID declaration must be indicated in or immediately next to the name under which the product is sold unless a list of ingredients is voluntarily indicated on the label in which case the quantity may appear in the list. The quantity of the ingredient, expressed as a percentage, must correspond to the quantity of the ingredient(s) actually used in the preparation of the product.

The QUID requirement DOES NOT apply to constituents naturally present in foods and which have not been added as ingredients e.g. caffeine (in coffee) and vitamins and

Minerals (in fruit juices). QUID declarations are not needed in a number of cases, e.g. when products state the drained net weight or where an ingredient is used for purposes of flavoring. QUID declarations CANNOT replace nutrition labeling.

Commission Directive 1999/10/EC provides for derogations from the QUID requirement:

- Where the wording "with sweeteners" or "with sugar(s) and sweetener(s)" accompanies the name under which a foodstuff is sold.
- Where the addition of vitamins and minerals is subject to nutrition labeling.
- Where foodstuffs are concentrated or dehydrated.

Weight/Volume Indication

Council Directive 76/211/EEC (amended by Commission Directive 78/891/EEC) specifies the maximum tolerable error between the actual content and the quantity indicated on the label of prepackaged products.

This directive applies to prepackages containing products intended for sale in constant unit nominal quantities which are:

- Equal to values predetermined by the packer.
- Expressed in units of weight or volume.
- Not less than 5 g or 5 ml and not more than 10 kg.

The nominal quantity (weight or volume) must be indicated on all prepackages made up in accordance with this directive. The EEC sign, a small "e" of at least 3 mm high placed in the same field of vision, constitutes a guarantee by the packer or importer that the prepackage meets the requirements of this directive.

Compliance with this directive is not mandatory but free movement throughout the EU is guaranteed for prepackaged products that do comply with the provisions of the directive.

Metric Labeling

European Parliament and Council Directive 1999/103/EC amending Council Directive 80/181/EEC on units of measurement, allows the use of both metric and imperial units on the same label until December 31, 2009 for products sold in the European Union.

Lot Marking

Council Directive 89/396/EEC requires that foodstuffs carry a mark identifying the lot to which a foodstuff belongs.

It defines "lot" as a batch of sales units of a foodstuff produced, manufactured or packaged under practically the same conditions.

The indication to identify the lot should be determined by the producer, manufacturer or packager or by the first seller in the EU. The letter "L" except in cases shall precede the marking when it is clearly distinguishable from other indications on the label. The lot identification is not necessary if the date (day and month) of minimum durability or "use by" date appears in uncoded form on the label.

Animal By Products

In October 2002, the European Commission approved legislation (Regulation 1774/2002) that requires animal by-products not intended for human consumption, including blood products, hides and pet food, be derived from the carcasses of animals fit for human consumption. The legislation prohibits the use of any rendered protein which was obtained from animal carcasses that were unfit for human consumption as an animal feed ingredient or for pet food. For example, fallen stock will not be permitted in feed.

The regulation was scheduled to go into effect on May 1, 2003, however, on April 16, 2003, the EU Standing Committee on Food Safety and Animal Health approved a number of transitional and permanent implementing measures concerning animal by-products regulation 1774/2002. Of particular importance to the U.S. was the approval of a transitional period for third countries providing for a postponement of certain portions of the regulation until December 31, 2003. The transitional period is needed to allow for the Commission to make technical amendments to the import certificates.

Background:

The proposed legislation was initially developed in response to the Bovine Spongiform Encephalopathy (BSE) crisis but has been broadened to address several animal and public health issues. The Animal By-Products regulation replaced Directive 90/667/EEC on the disposal and processing of animal waste and amended Directive 90/425/EEC.

Pet Food:

- Pet food plants have to be dedicated.
- Certain categories of pet food have to be denatured with specified substances.
- There will be a ban on the use of fallen stock for pet food.

Catering Waste (including yellow grease):

A 4 year derogation allows member states to keep incorporating certain types of catering waste into feed. However, given the ban on intra species recycling, no catering waste containing porcine products, for instance, can be used in porcine feed.

Genetically Modified Food and Feed

The breakdown in the EU's approval process for products made from modern biotechnology has blocked most U.S. exports of corn and hinders trade in other products. Food processors and exporters are either reformulating or seeking non-biotech sources, and the prospect of new mandatory trace ability and labeling requirements is causing enormous uncertainty in the feed and seed sectors. Problems exist for both approved products and products currently undergoing the approval process. Biotechnology continues to be more of a political than a scientific issue in Europe and the prospects for improvement remain dim.

With some minor exceptions, no biotechnology products have been approved since 1998. Several products have been under review for more than six years, as compared to an average six to nine month processes in Canada, Japan and the United States. U.S. exports of corn to Spain, Portugal and Italy, the most significant EU importers, have stopped.

Italy, along with Austria, France, Germany, Greece and Luxembourg has imposed marketing bans on some biotechnology products despite existing EU approvals.

Labeling & Trace ability and Food & Feed Proposals

On July 22, 2003 the Agriculture Council adopted a series of proposals, which be formally, published in the Official Journal by late September or early October 2003. They will go into force 20 days after publication in the Official Journal but there is a three month transition period for labeling and trace ability and a six month period for food and feed to give operators time to adjust to the new rules before they are fully applied during this period. The European Commission is expected to adopt implementing regulations where required. The proposals include mandatory trace ability and labeling requirements for all biotechnology products that will be onerous and expensive for producers and foreign suppliers to meet.

The key outcomes that apply to U.S. exports are:

- ▶ All food, feed and processed products "produced from GMOs must be labeled, including products that no longer contain detectable traces of GM.
- ▶ The allowable adventitious presence (AP) level for EU-approved varieties of GM for use in food, feed and processed products are set at 0.9 percent. Above this AP level, products must be labeled.
- ▶ The allowable AP level for GM varieties that have received a positive EU risk assessment but have not been approved due to the 4 year defacto moratorium is set at 0.5 percent for three years after the regulations ' coming-into-force, at which time it drops to zero percent.
- ▶ The "may contain" provision was revised to the following language: "In the case of products consisting of or containing mixtures of GMOs to be used only and directly as food or feed or for processing, the information referred to in paragraph 1 (b) may be replaced by a declaration of use by the operator, accompanied by a list of the unique identifiers for all those GMOs that have been used to constitute the mixture".
- ▶ Both "Trace ability & Labeling" and "Food & Feed" have two year review clauses, which require the Commission to report on their implementation and make recommendations for changes, if appropriate. The Council and Parliament must approve recommended changes.

What's next?

In the interim period, before the regulations go into effect, the current labeling regime will remain in place and only ingredients containing more than 1% GMO protein or DNA must be labeled.

Legislation in force

Until the regulations go into force, four pieces of legislation will continue to regulate GMO's: Council Directive 2001/18 (previously Council Directive 90/220) - The revised version of 90/220, the EU directive governing the approval for environmental release and commercialization of "living" genetically- modified organisms came into force on October 17, 2002. Features of the revision include time limits on approvals, explicit schedules for each stage of the approval process and also calls for new legislation on trace ability and labeling.

The Health and Consumer Protection Directorate General administers the Novel Foods Regulation (European Parliament & Council Reg. 258 /97)

assessments and labeling for most genetically modified foods. The Commission's new proposal on GM Food and Feed will replace provisions in Novel Foods governing products containing GMO's by extending the labeling requirement to products produced or derived from GMO's (with the exception of processing aids). However, in the interim, labeling of all new processed foods and food ingredients, including those made from GMO's, will remain under Novel Foods.

On April 10, 2000, Commission Regulation 49/2000 entered into force setting a one percent threshold for adventitious (accidental) contamination such as during cultivation, harvest, transportation, storage and processing. This amendment applies to products for which the manufacturer cannot guarantee that each of the ingredients contains less than one percent GMO's. Evidence must be supplied to the competent authorities that appropriate steps were taken to avoid the presence of GMO's.

Commission regulation 50/2000, which also entered into force on April 10, 2000, provides specific labeling requirements for food and food ingredients containing additives and/or flavorings that have been genetically modified or have been produced from GMO's, as specified in Directive 90/220/EEC. This regulation applies to additives and flavorings for use in foodstuffs falling within the scope of Directive 89/107/EEC and Directive 88/388/EEC.

Source: Foreign Agricultural Service U.S. Mission to the EU.

More information on EU import requirements for animal products is available at <http://www.useu.be/agri/certification.html>.

Exporting Meat Products to the EU

In order to export to the EU "meat products" the manufacturer has to be on a EU approved establishment list. Also, raw materials have to be sourced from a EU approved establishment. The list of EU approved establishments is available from <http://www.useu.be/agri/estab.html>.

To get on the approved establishment list, contact the Food Safety Inspection Service (FSIS). (Contact information is available from website mentioned above). Please be aware that this whole process can require several months. Detailed information on EU import requirements for meat and products is also available from the FSIS export library.

<http://www.useu.be/agri/estab.html>. The website for the FSIS approved Meat Product Plants for shipping to the EU is: <http://www.fsis.usda.gov/ofa/export/leuprod.html>.

General Imports Procedures

Food products must conform to the regulations required by Italian and/or EU laws. Products are examined when they enter Italy by inspecting import documents. Health authorities may perform tests and relative analysis of samples. Goods are only released after payment of the import duty and other taxes that may be due. Once import operations are completed, the product may enter commerce within 48 hours from the time of arrival at port if no specific problems arise from the import document inspection or sample testing.

Import duties are determined by the tariff classification of goods and by the customs value. With the implementation of a common EC customs code, the 15 member states of the EU apply the same tariff on goods imported from outside the EU. Once an imported good is

cleared in one Member State, it may move freely throughout the EU. The exception to this rule is for organic food, which must conform to member state standards.

It is important to work with experienced importers, i.e. to have an agent to work with Italian regulatory authorities to ensure the acceptability of specific products. It is also advisable for the agent to contact health authorities at the port of entry as interpretation of health directives may vary from port to port.

Temporary Entry of Goods to Promote Sales

Imported samples of commercial value may be granted a temporary entry with exemption from custom charges. However, a bond or cash deposit may be required as security that the goods will be removed from the country. This security is the duty and tax normally levied plus 10 percent. Samples may remain in the country for up to 1 year. They are not permitted to be sold, put to their normal use (except for demonstration purposes), or utilized in any manner for remuneration. Goods imported as samples may be imported only in quantities constituting a sample according to normal commercial usage.

Use of Agents and Distributors; Finding a Partner

Italy represents a large and affluent market where language and personal relationships are valued when conducting business transactions. Consequently, some form of local presence in Italy is generally required to be successful. Companies wishing to enter the Italian market, as an alternative to establishing a subsidiary, might decide to use an agent or a distributor. The choice depends on the nature of the goods to be distributed in Italy. There are important distinctions in Italian law between distribution and agency agreements.

(Further information on Agents and Distributors is available at www.export.gov/commercialservice and www.tradeinfo.doc.gov)

Market Sector Structure and Trends

The Italian Retail Food Sector

When it comes to grocery shopping, the Italian consumer is becoming more price and quality conscious, preferring retail outlets, which are able to offer more services, selection and cheaper private labels. Italy however, cannot be compared to the French or U.S. retail sector, but instead offers its own unique retail model.

Italy has an extremely fragmented distribution system. The north/south fragmentation within the Italian retail sector is very evident. The north of Italy continues to have the largest number of hypermarkets, shopping malls and large supermarkets, which cater to the more prosperous regions of the country. The south lags behind with fewer large retail outlets and an underdeveloped distribution network. The Italian retail sector is relatively underdeveloped and expanding at a slower pace compared to northern European countries. Italians maintain a strong preference for their traditional grocer, with local mom and pop establishments still accounting for an important segment of the retail sector. The Italian consumer is also extremely discerning, contributing to a strong quality-gourmet food sector.

Italians love to travel, and are therefore becoming more open to foreign cuisine. Also, the number of singles is on the rise, both among the young and the older generations, forcing retailers to cater to their desire for single portion, a ready-made food product.

(For further information on the Italian Retail Sector please refer to GAIN Report #IT 2026)

The Italian Hotel and Restaurant Industry

The Italian Hotel and Restaurant Industry sector is as diverse and fragmented as the Retail Sector. In the Hotel industry there are many small establishments dispersed throughout Italy, and only 2 percent of the over 33,000 establishments belong to International Hotel chains. Every year more than 80 million tourists visit Italy, of which 45 million are Italians residing in Italy and 35 million are foreigners.

The Italian hotel/restaurant and institutional food products sectors are doing well, and are expected to grow even more in the future. Italy is the world's fourth largest tourist destination, attracting millions of tourists every year. This has stimulated establishment of new restaurants, both traditional and ethnic.

The Italian HRI sector is a lucrative and growing sector, which generated 22 billion Euros in 2002, and is the second largest in the world after the United States. Italians are changing their eating habits, and in the past ten years have increased their consumption of food eaten outside of the home by 141 %.

However, before even considering the Italian HRI market it would be best that a U.S. company interested in exporting to Italy and the EU find a reputable importer, agent or wholesaler who already operates in the market and can facilitate product entry and distribution.

(For further information on the Italian HRI Sector please refer to GAIN Report #IT 3009)

Marketing U.S. Agricultural Products

The Italian market for U.S. agricultural exports in 2002 totaled more than \$754 million. Socio-economic and demographic changes have had a very positive impact on the Italian consumer market. There are many more singles and senior citizens who have disposable income and are interested in new and foreign products. These buyers want consumer-ready products (if available, in single portion packages), and are willing to pay the price for high quality food.

The Italian market is highly receptive to quality U.S. consumer goods. There are, however, a few constraints affecting the export of U.S. products:

- 1. EU policy and health regulations.** There are strict regulations issued by the EU to control the sale of health/dietetic and organic food products.
- 2. Consumer resistance to biotech products/ingredients.** Italy enforced in August 2000, the unilateral ban for the use of four EU-approved corn products, based on an argument that the products should have been approved following a full EU review and not based on substantial equivalence. Italy, additionally, still bans genetically modified (GM) products in baby food. In both cases, a zero tolerance level is enforced for adventitious GM presence. Most of the major Italian supermarket chains maintain a No GMO policy in regards to food products.
- 3. BSE (bovine spongiform encephalitis, or "mad cow") and other animal diseases.** Outbreaks of BSE and Foot and Mouth disease in many European countries have affected the meat market in Italy and EU. This situation has created strong demand for non-European origin pork and non-hormone treated beef.

Organics and Natural Foods

Italy continues to play a major role in the organic and natural food sector, both as a producer/exporter of bulk organic and natural food products and as a consumer. The Italian organic food sector is enjoying healthy expansion, as Italians are becoming more health conscious. The media has had a major role in this increased interest in organic/natural foods, particularly by constant reporting on food safety problems such as BSE, dioxin, and other food safety problems. Focus is placed on the nutritional/health aspects of organic products, making them desirable and very trendy.

U.S. participation in this market continues to face limitations due to strict import certification requirements, allowing EU competitors an advantage in market access. EU policy still stipulates that member state authorities need to be satisfied that imported products meet the EU standard for "organic." U.S. and EU standards are not identical. In addition, the importer must request import authorization for each separate product imported.

Italian citizens' relative affluence and higher disposable income have opened the market for other specialty food items. The pet care sector, for one, continues to expand, creating new opportunities for unique and high quality U.S. products. Quality U.S. pet food has developed a profitable market share in Italy. However, competition is fierce and new prohibitions on ingredients for pet food took effect in 2002. Because of the BSE (mad cow) crisis, the EU has passed more stringent rules governing products made from animal by-products, including pet food. All ingredients used for the manufacture of pet food must be "fit for human consumption." To summarize, pet food must come from a registered establishment. These and other requirements are evolving as the EU seeks to instill consumer confidence, even in the pet food sector.

Italians have access to a broad range of fresh foods due to their own wealth of horticultural production. This contributes to their fairly traditional food habits. While the per capita volume figures paint a picture of a fish and vegetable hungry Mediterranean nation, the per capita value figures also point to a group of health conscious, modern consumers willing to pay a premium for quality food products. While the recent economic down turn has put a damper on luxury food sales and expensive restaurant visits, Italy is second to Portugal in per capita spending on food within the EU.

American-style fast food chains, buffets, and salad bars are gaining popularity in the Italian market. This move towards more convenient dining has led Italian importers to seek out U.S. food products adapted to self-service eateries. Many bars, restaurants and food service companies also are seeking foods that microwave easily. While home use of microwaves is still low, microwave sales are increasing. Families with two working parents rely more and more on microwaves to reheat food and prepare frozen foods. Microwaves are present in most small food shops to reheat baked goods such as pizza or roasted chicken.

Italians are consuming increasing quantities of breakfast cereals, nuts, organic foods and snack foods. The Italian youth market is especially interested in lifestyle foods such as American beer and salted snacks. American type packaging is perceived as being trendy and consumer friendly.

Advertising and Trade Promotion

Marketing and advertising are factors critical to a product's success in the Italian market, due to the sophisticated nature of Italian consumers. Advertising media include newspapers (35 percent of total advertising), magazines (35 percent), radio and television (22 percent), movie theaters (2 percent), and other methods (6 percent).

Newspapers and magazines: The main means of product advertising in Italy is through daily newspapers. Newspapers work closely with advertising firms, both Italian and foreign. However, since the newspapers themselves do not maintain advertising departments, advertising firms must place their ads with special agencies commissioned by the papers to receive advertising for them. Of about 90 daily newspapers in Italy, only a dozen or so are distributed throughout the country. While some 230 Italian and foreign periodicals are on sale in Italy, only about 20 have a large circulation (see list below).

Television: Italy is served by three public television networks operated by Radio Televisione Italiana (RAI), a government-regulated company in which the national government owns a majority interest. The three networks carry commercials all day long. There are also four major nationwide privately owned television stations. In addition, some 100 private television stations are licensed for local broadcasting.

Radio: There are three radio stations owned and operated by RAI. These are on the air for more than 340 hours weekly, and commercial time is available. In addition to the three networks, there are hundreds of local radio stations and several national private stations.

Motion Picture Theaters: Wide use of film clips is made for advertising purposes. There are some 10,000 motion picture theaters in Italy and many regularly show advertising. The rates for advertising vary according to the show time and class of the theater. Advertising is shown during every intermission. Therefore, this medium may be used to reach a wide market and cuts across economic strata.

Posters and Billboards: Poster advertising is handled by a number of specialized companies, as is electric sign advertising, which is subject to special regulations. Poster advertisement on walls, along streets, in streetcars, buses, and other means of transportation are used to reach the consumer market. Both posters and billboards are subject to the approval of provincial authorities and to payment of a tax on poster advertising.

Show Windows and Flyers: Show window advertising is extensively used in Italy. Displays are usually attractively done and show prices of the items for sale. Advertising flyers are in common use, and street banners are used also for special occasions. Loudspeakers are used for advertising at sporting events. Direct advertising, through the distribution of gifts, samples, and price reduction coupons, is frequently used to motivate consumers.

Trade Fairs: Exhibitions are a cost-effective method to enter a foreign market and meet a wide range of buyers interested in a particular industry sector. Sales professionals find that trade fairs attract extensive buyer attendance and frequently can be used to gauge acceptance and pricing of new products and to observe the competition. In the course of a few days, a new market entrant may be able to generate more qualified and motivated prospects than by using any other sales approach. Also, fairs are useful for finding an agent, distributor, or representative.

The Foreign Agricultural Service in Italy works in conjunction with Italian trade show organizers, and occasionally FCS, in support of U.S. agricultural companies present at events that have been identified as providing excellent prospects for American exporters.

Information on Italian trade fairs can be obtained from the FAS Italy website: <http://www.usembassy.it/agtrade/> or in the Appendix of this report.

Best Prospects for U.S. Agricultural Exports

U.S. bulk and intermediate commodities are used as ingredients or inputs for value-added products re-exported and sold globally. This is particularly true for wheat and forest products, among the largest U.S. agricultural exports to Italy. Italian wheat imports from the U.S. primarily consist of high-quality durum wheat used to produce pasta. In 2002, durum wheat imports from the United States totaled \$51 million. In 2003, unfavorable weather conditions and reduced plantings are expected to push Italian wheat imports even higher. These factors, in addition to the depreciation of the dollar and growing Italian pasta exports, could benefit U.S. wheat exporters.

Italy has a long tradition in woodworking and manufacturing products made from hardwood and softwood. The Italian wood industry imports 80 percent of the raw materials used for manufacturing finished products, which are then re-exported. U.S. wood export opportunities exist for species not readily available in Europe. These include high-grade hardwood, mainly tulip wood, red alder and white and red oak, as well as other species such as ash, cherry and hard maple. Italian manufacturers are very receptive to working with new U.S. hardwood species. In 2002, U.S. hardwood lumber exports to Italy totaled nearly \$82 million. Well-established grading rules, efficient shipment and reliable delivery schedules from the U.S. are perceived as advantages. Italy is expected to continue importing U.S. wood products, although competition from low-cost East European suppliers is likely to increase.

Italy is the world's fifth largest importer of seafood products. With a population of approximately 58 million, Italy has an annual per capita consumption of about 23 kg of fish and seafood. Italy imports nearly \$2.7 billion of fish and seafood products annually, with half of its seafood imports coming from EU member states, particularly Spain. Last year, Italy imported more than \$47 million in seafood products from the United States.

As the consumption of fish and seafood in Italy is expected to continue to rise, opportunities exist in the supply of fish, especially tuna, and seafood for the canning industry. In addition, the Italian retail sector will look for frozen fish fillets such as hake, cod and plaice to meet the demand for convenient, ready-to-prepare products. Peeled and processed shrimp would do well in the Italian market. The growing consumption of frozen seafood will provide good opportunities for exporters of squid, cuttlefish, and octopus. U.S. exporters of lobster will find continued opportunities in Italy's seafood sector. Unable to meet its increasing demand for lobster, Italy relies heavily on its three largest foreign suppliers of lobster: the United States, Canada, and Spain. In addition to peeled and processed shrimp, opportunities exist to supply a wide range of processed food products to the market, including canned fruit and vegetables, frozen prepared food, sweet snacks and bakery items.

Agricultural Exports and Imports**Leading U.S. Agricultural Exports to Italy in 2002**

(\$1000 U.S. dollars) (Source U.S. Bico Report)

Wheat	\$117,140
Soybeans	\$ 86,939
Hardwood Lumber	\$ 81,936
Hides and Skins	\$ 79,960
Tree nuts	\$ 59,174
Fish and Seafood	\$ 47,116
Planting Seeds	\$ 34,696
Logs and Chips	\$ 32,500
Tobacco	\$ 26,476
Panel Products (including Plywood)	\$ 26,377

Leading Italian Agricultural Exports to the United States in 2002

(\$1000 U.S. dollars) (Source U.S. Bico Report)

Wine	\$786,002
Vegetable and Olive oils	\$331,014
Cheese	\$165,310
Value Added Wood Products	\$ 86,588
Snack Foods and Chocolate	\$ 83,166

Tables and Statistics

Key Trade & Demographic Information
Italy 2002

Agricultural, Fish and Forestry Imports from the World 26,908,740 (\$1000)	U.S. Market Share: 0.21
Consumer Food Imports from the World 10,935,290 (\$1000)	U.S. Market Share: 0.04
Edible Fishery Imports from the World 2,808,050 (\$1000)	U.S. Market Share: 0.08
Population: 57,998,353 (July 2003 est.)	Population Growth rate: 0.11% (2003 est.)
Major City Centers: (13) Rome, Milan, Naples, Turin, Palermo, Genoa, Bologna, Florence, Catania, Bari, Venice, Messina and Verona	Total Rural Population: 48 Million
Gross National Product 2002: \$1.1 Trillion USED	Per Capita Income: \$18,600
Unemployment Rate: 8.8 percent	Percentage of Female Population Employed: 38%
Exchange Rate: EURO to US Dollar September 2002 to September 2003 Min = 0.9735 (18 Oct 2002) to a Max = 1.1901 (27 May 2003) Source: European Central Bank	The Average EURO to US Dollar exchange rate for 2002 was 0.967

Source: FAS' Global Agricultural Trade System using data from the United Nations Statistical Office

Consumer Oriented Products

Reporting Country: Italy	Import		
World	2000 1000\$	2001 1000\$	2002 1000\$
	10,424,060	10,784,653	11,085,927

Source: FAS' Global Agricultural Trade System using data from the United Nations Statistical Office

Reporting Country: Italy	Import		
United States	2000 1000\$	2001 1000\$	2002 1000\$
	107,864	112,845	108,255

Source: FAS' Global Agricultural Trade System using data from the United Nations Statistical Office

Fish and Seafood Products

Reporting Country: Italy	Import		
United States	2000 1000\$	2001 1000\$	2002 1000\$
	49,980	46,411	43,738

Source: FAS' Global Agricultural Trade System using data from the United Nations Statistical Office

Reporting Country: Italy	Import		
World	2000 1000\$	2001 1000\$	2002 1000\$
	2,476,279	2,767,097	2,849,002

Source: FAS' Global Agricultural Trade System using data from the United Nations Statistical Office

Top Suppliers of Edible Fishery Products

Reporting: Italy - Top 15 Ranking	Import	Import	Import
	Value 1000\$	2000 Value 1000\$	2001 Value 1000\$
Spain	402732	502746	525641
Denmark	285034	292621	272389
Netherlands	238135	255254	251735
France	178865	195800	202583
Greece	125561	109615	115070
Argentina	81799	111549	108533
Morocco	78166	90380	99806
United Kingdom	94029	93049	91241
Germany	96847	98737	90418
Thailand	64321	65850	83326
Ecuador	54010	67265	78903
Senegal	49966	46931	76676
Sweden	48425	73711	72467
South Africa	53863	50964	60122
Colombia	46037	38547	54386
Other	578485	674067	665718
World	2476279	2767097	2849002

Top Suppliers of Consumer Foods

CONSUMER-ORIENTED AGRICULTURAL TOTAL - 400 Reporting: Italy - Top 15 Ranking	Import	Import	Import
	Value 1000\$	2000 Value 1000\$	2001 Value 1000\$
Germany	2475430	2640280	2675878
France	1885312	1801476	1881440
Netherlands	1528601	1504370	1483415
Spain	837340	831250	901451
Belgium	570352	642872	634816
Austria	526533	553962	582909
Denmark	426026	498956	460656
United Kingdom	219507	199368	198096
Turkey	127484	149024	180044
Ecuador	111114	119103	176184
Switzerland	145405	154262	154150
Ireland	179679	114767	144262
Greece	119241	125161	138581
China (Peoples Republic of)	105223	121362	132286
Brazil	110663	132123	129216
Other	1056105	1196334	1212589
World	10424060	10784653	11085927

Source: FAS Office Global Agricultural Trade System using data from the United Nations Statistical

Major Italian Food and Agricultural Trade Shows

DISCLAIMER

The promotional activities listed are provided for informational purposes only. No endorsement should be implied unless specifically stated. Terms and conditions of participation are the responsibility of the activity organizer.

Following is a listing of major Italian trade shows for 2003-2005. The purpose of this listing is to inform U.S. companies in the agricultural, fishery and forest product sectors of potential export opportunities to Italy, and upcoming trade events.

The promotional activities listed are provided for informational purposes only. No endorsement should be implied unless specifically stated. Terms and conditions of participation are the responsibility of the activity organizer and participant. Please note that dates are subject to change during the course of the year.

WINE AND SPIRITS

Name of Event: VINITALY 2004
USDA Endorsed Show!
United States of America Wine Pavilion

Location: Verona, Italy
Date: April 1-5, 2004
Type of Show: International Wine and Spirits Show
Frequency: Annual
Organizer: Veronafiere
Website: www.veronafiere.it
Tel: (011) (39) 045 829 8178
Fax: (011) (39) 045 829 8174

Description:

The U.S. Department of Agriculture's Foreign Agricultural Service invites the American wine industry to showcase their diverse and unique wines in the USA Pavilion at VINITALY 2004 in Verona, Italy, April 1-5, 2004. VINITALY, held annually, is the world's largest international wine and spirit show where industry professionals, hotel and restaurant sector representatives, and the international press come to meet the wineries, find out about their products, and buy.

VINITALY 2003 welcomed over 3,856 exhibitors from 26 countries, and attracted 128,467 visitors from 82 countries. The VINITALY press office accredited over 2,000 journalists from 50 different countries.

VINITALY offers a great opportunity for the American wine industry to showcase their diverse and unique wines; to meet not only the Italian trade, but the large number of international visitors and trade members, to educate the European consumer and press about the characteristics of wine regions of America; to study the latest trends; to analyze and discuss the newest technologies; to enter the European market.

Exhibiting in the USA Pavilion at VINITALY 2004 will provide U.S. exporters and distributors with a cost-effective, hassle-free way to promote your products with a choice of furnished booth packages in a fully integrated sales and marketing platform.

For more information on this USDA-endorsed event, please call Sharon Cook at the U.S. Department of Agriculture's FAS Trade Show Office at 202-720-3425, e-mail Sharon.Cook@usda.gov or Dana Biasetti, Agricultural Marketing Specialist, FAS Rome, Italy, at (011) (39) (06) 4674 2396, e-mail Dana.Biasetti@usda.gov.

FOREST PRODUCTS

Name of Event: ABITARE IL TEMPO
Location: Verona, Italy
Date: September 16-20, 2004
Type of show: Furniture and Interior Decorating Products
Frequency: Annual
Organizer: Verona Fiere
Website: www.veronafiere.it
Tel: (011) (39) 045 829 8178
Fax: (011) (39) 045 829 8174

Name of Event: Quadrum SACA
Location: Bologna, Italy
Date: February 19-22, 2004
Type of show: Moldings, Frames, Picture Frames, and Accessories and Technology
Frequency: Annual
Organizer: Bologna Fiere
Piazza Costituzione 6
40128 Bologna
Tel. (011) (39) 051 282111
Fax: (011) (39) 051 282332
Website: www.smart.it

Name of Event: SAIEDUE
Location: Bologna, Italy
Date: March 18-22, 2004
Type of show: Interior architecture, building renewal, technologies and finishing
Frequency: Annual
Organizer: Bologna Fiere
Piazza Costituzione 6
40128 Bologna
Tel. (011) (39) 051 282111
Fax: (011) (39) 051 282332
Website: www.smart.it/saiedue

Name of Event: SALONE INTERNAZIONALE DEL MOBILE
Location: Milan, Italy
Date: April 14-19, 2004
Type of show: Furniture, kitchens, and office furnishings
Frequency: Annual
Organizer: Cosmit
Corso Magenta 96

20123 Milan
 Italy
 Tel. (011) (39) 02 725941
 Fax: (011) (39) 02 89011563
 Website: www.cosmit.it

Name of Event: LEGNO & EDILIZIA
 Location: Verona, Italy
 Date: February 19-23, 2004
 Type of show: Wood & Construction
 Frequency: Annual
 Organizer: Verona Fiere
 Website: www.pmtexpo.it/legno
 Tel: (011) (39) 045 829 8178
 Fax: (011) (39) 045 829 8174

Name of Event: SALONE DELLA SEDIA
 Location: Udine, Italy
 Date: September 10-13, 2004
 Type of show: International Chair Fair
 Frequency: Annual
 Website: www.promosedia.it

Name of Event: SASMIL
 Location: Milan, Italy
 Date: May 26-30, 2004
 Type of show: International Exhibition of Accessories and Semi-finished Products for the Furniture Industry
 Frequency: Biannual
 Organizer: Cosmit
 Corso Magenta 96
 20123 Milan
 Italy
 Tel. (011) (39) 02 725941
 Fax: (011) (39) 02 89011563
 Website: www.cosmit.it

Name of Event: XYLEXPO
 Location: Milan, Italy
 Date: May 26-30, 2004
 Type of show: World exhibition for wood working technologies
 Frequency: Biannual
 Website: www.xylexpo.it

Description:

Italy offers numerous wood product shows, which span the construction industry, furniture, manufacturing and interior design. The shows listed offer an opportunity for the promotion of both hard and soft U.S. woods for a variety of applications, moldings, structural wood,

doors, furniture and others. The target audience for these shows includes: importers, distributors, wholesalers, brokers, buyers and the general public.

SPECIALTY FOOD

Name of Event: CHEESE 2003
Location: Bra, Italy
Date: September 2005
Type of Show: Specialty International Cheese Show
Frequency: Biannual
Organizer: Slow Food Italia
Tel: (011) (39) 0172 436711
Fax: (011) (39) 0172 411299
Website: www.slowfood.com

Name of Event: SALONE DEL GUSTO
Location: Turin, Italy
Date: 21-25 October 2004
Type of Show: Food & beverage
Frequency: Biannual
Organizer: Slow Food Italia
Tel: (011) (39) 0172 436711
Fax: (011) (39) 0172 411299
Website: www.slowfood.com

Name of Event: CIBUS
Location: Parma, Italy
Date: November 6-9, 2003
Type of Show: Food & beverage
Frequency: Biannual
Organizer: Fiere di Parma
Website: www.fiere.parma.it

Name of Event: FIERA AGRICOLA/Agritech
Location: Verona, Italy
Date: March 3-7, 2004
Type of Show: Gourmet Foods
Frequency: Annual
Organizer: Verona Fiere
Website: www.veronafiere.it
Tel: (011) (39) 045 829 8178
Fax: (011) (39) 045 829 8174

Description:

Italy offers a variety of small to medium sized trade shows and fairs that specialize in quality food products. Some of the better known shows are: Salone del Gusto (Slow Food Italia international gourmet food show), Expo Food (gourmet food show), and CIBUS (International gourmet food show). The target audience for these shows includes: Italian retail product sector buyers, importers, distributors, wholesalers, brokers, supermarket

buyers, hotel and restaurant industry executives, and food journalists. These shows are a great opportunity to present U.S. food as being gourmet and quality.

SEAFOOD

Name of Event: MEDITERRANEAN SEAFOOD SHOW (MIA)
Location: Rimini, Italy
Date: 31 January to 3 February 2004
Type of show: International Seafood show
Frequency: Annual
Organizer: Ente Fiera di Rimini
Via della Fiera, 52-C.P. 300
47037 Rimini
Tel: (011) (39) 541 711711
Fax: (011) (39) 541 786686
Website: www.fierarimini.it

Name of Event: SEAFOOD MEDITERRANEO
NEW – First Edition
Location: Verona, Italy
Date: October 15-17, 2003
Type of show: International Seafood show
Frequency: Annual
Organizer: Veronafiere
Tel: (011) (39) 045 829 8178
Fax: (011) (39) 045 829 8174
Website: www.veronafiere.it

HIDES, SKINS AND FUR

Name of event: LINEAPELLE
Type of show: Hides and Skins
Location: Bologna, Italy
Dates: November 5-7, 2003
Frequency: Annual
Organizer: AREAPELLE
Tel: (011) (39) 02 8807711
Fax: (011) (39) 02 860032
E-mail: lineapelle@unic.it
Website: www.lineapelle-fair.it

Name of event: MIPEL
Location: Milan, Italy
Date: March 20-23, 2003
Type of show: Leather goods
Frequency: Annual
Organizer: Aimpes-Mipel
Tel: (011) (39) 02 584511
Fax: (011) (39) 02 58451320
Website: www.mipel.com

Name of event: MIFUR 2004
 Location: Milan, Italy
 Date: March 19-23, 2004
 Type of show: Leather goods and fur
 Frequency: Annual
 Organizer: Ente Fieristico MIFUR
 Corso Venezia 51
 20121 Milan
 Tel: (011) (39) 02 76003315
 Fax: (011) (39) 02 76022024
 E-mail: mifur@wms.it

Description:

MIPEL, LINEAPELLE and MIFUR are three of Italy's largest and most well attended hide, skin and fur trade shows. Italy is a large consumer of quality hides and fur, both for national consumption and international export of finished products. The target audience for these shows include: Italian retail buyers, importers, distributors, wholesalers, brokers, fashion designers and journalists.

TEXTILES (WOOL/COTTON)

Name of Event: MODA IN/INTERTEX
 Location: Milan, Italy
 Date: February 10-12, 2003
 Type of show: Textiles - Cotton, Wool and Silk
 Frequency: Annual
 Organizer: S.I.TEX
 Viale Sarca 223
 20126 Milan
 Tel: (011) (39) 02 66103820
 Fax: (011) (39) 02 66103844
 E-mail: moda_in@iol.it
 Website: www.fieramodain.it

Name of Event: PITTI IMMAGINE FILATI
 Location: Florence, Italy
 Dates: July 2-4, 2003
 Type of show: Textile & yarn
 Frequency: Twice a year
 Organizer: Pitti Immagine
 Via Faenza 109
 50100 Firenze
 Tel: (011) (39) 055 36931
 Fax: (011) (39) 055 3693200

Description:

The Italian fashion industry is a large consumer of quality textiles, and Pitti Imagine and Moda In/Intertext offers the finest selection of textiles in Italy. The

target audience for these shows include: Italian retail buyers, importers, distributors, wholesalers, brokers, fashion designers and journalists.

PET FOOD

Name of Event: ZOOMARK
Location: Bologna, Italy
Dates: April 2005
Type of show: International Pet Food and Supplies
Frequency: Biannual
Organizer: Bologna Fiere
Piazza Costituzione 6
40128 Bologna
Tel. (011) (39) 051 282111
Fax: (011) (39) 051 282332

Description:

Zoomark Pet and Pet Food Show is Italy's largest pet products exhibition with 602 exhibitors, and Europe's second largest. This biannual show will take place in Bologna in April 2005 and will host a USA Pavilion.

USDA FAS Contacts in Rome, Italy

U.S. travelers to Italy seeking appointments with U.S. Foreign Agriculture Service officials at Embassy Rome should contact the office at:

Office of Agricultural Affairs,
American Embassy
Via Veneto 119, Rome, 00187, Italy

Tel: (011) (39) 06 4674 2396
Fax: (011) (39) 06 4788 7008
Website: www.usembassy.it/agtrade/
E-mail: agrome2001@yahoo.com
agrome@usda.gov

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Calendar of Italian Holidays

Italian holidays must be taken into account when planning a business itinerary. July and August are not good months for conducting business in Italy since most businesses are closed for vacation during this period. The same is true during the Christmas and New Year period. Italian commercial holidays are listed below and are when most commercial offices and banks are closed. Certain other days are celebrated as holidays within local jurisdictions. Italian holidays are also observed by the U.S. Embassy and should be considered when telephoning or visiting the U.S. Foreign Agricultural Service staff. When an Italian holiday falls on a Saturday, offices and stores are closed.

Listed below are Italian holidays for 2004:

January 6, Tuesday	Epiphany
April 12, Monday	Easter Monday
April 25, Sunday	Anniversary of the Liberation
May 1, Saturday	Labor Day
June 2, Wednesday	Foundation of the Italian Republic
August 15, Sunday	Assumption Day
November 1, Monday	All Saints' Day
December 8, Wednesday	Feast of the Immaculate Conception
December 26, Sunday	St. Stephen's Day

Patron Saint Days are observed by the following cities:

Milan:	December 7, 2004, Saturday, St. Ambrogio's Day
Florence & Genoa:	June 24, 2004, Monday, St. John's Day
Rome:	June 29, 2004, Saturday, St. Peter and St. Paul's Day
Palermo:	July 15, 2004, Monday, St. Rosalia's Day
Naples:	Sept. 19, 2004, Thursday, St. Gennaro's Day

Key Italian Government Agencies

Ministero delle Politiche Agricole e Forestali

(Ministry of Agriculture)

Via XX Settembre 20

00187 Roma

Tel: +39-06-4884293

Fax: +39-06-4814628

www.politicheagricole.it

Ministero della Sanita'

(Ministry of Health)

Piazzale Marconi 25

Palazzo Italia
00144 Eur-Roma
Tel: +39-06-5996966
Fax: +39-06-59946217
<http://www.sanita.it/aliment>

Ministero delle Economia e delle Finanze
(Ministry of Treasury)
Agenzia delle Dogane
(Customs Agency)
Via M. Carucci 71
00143 Roma
Tel. +39-06-50241
www.tesoro.it
www.finanze.it

Istituto per il Commercio Estero
(Italian Trade Commission)
Via Liszt 21
00144 Roma (EUR)
Tel: +39-06-59921
Fax: +39-06-5422-0066
www.ice.it
ice@ice.it

Associazione Italiana Allevatori
(Breeders)
Dr. Bonizzi, Director
Via Tomassetti 9/11
00161 Roma
Tel: +39-06-854-511
Fax: +39-06-4424-9286
<http://www.aia.it>
info@aia.it

Associazione Italiana Industria Olearia
(Veg Oil)
Giorgio Cilenti, Director General

Piazza Campitelli 3
00186 Roma
Tel: +39-06-6994-0058
Fax: +39-06-6994-0118
<http://www.foodarea.it/associazioni/assitol>
assitol.it@iol.it

A.I.S.
(Seed Industry Assoc)
Dino Barin, President
Piazza della Costituzione 8, Galleria del Reno, Scala C
40128 Bologna
Tel: +39-051-850-3881
Fax: +39-051-355-166
www.sementi.it
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